2018 Special Session I

Budget Bill - HB5002 (HB5002S1)

Bill Order » Office of Natural Resources » Item 362

Department of Conservation and Recreation

Item 362	First Year - FY2019	Second Year - FY2020
Land and Resource Management (50300)	**$61,126,611**	**$38,274,312**
Soil and Water Conservation (50301)	$35,615,467	$13,183,168
Dam Inventory, Evaluation and Classification and Flood Plain Management (50314)	$3,502,916	$3,082,916
Natural Heritage Preservation and Management (50317)	$4,717,137	$4,717,137
Financial Assistance to Soil and Water Conservation Districts (50320)	$7,291,091	$7,291,091
Technical Assistance to Soil and Water Conservation Districts (50322)	$1,200,000	$1,200,000
Agricultural Best Management Practices Cost Share Assistance (50323)	$8,800,000	$8,800,000
Fund Sources:		
General	$40,196,508	$17,344,209
Special	$995,861	$995,861
Dedicated Special Revenue	$12,251,202	$12,251,202
Federal Trust	$7,683,040	$7,683,040

Authority: Title 10.1, Chapters 1, 2, 5, 6, 7, and 21.1; Title 62.1, Chapter 3.1, Code of Virginia.

A.1. Out of the amounts appropriated for Financial Assistance to Virginia Soil and Water Conservation Districts, $7,191,091 the first year and $7,191,091 the second year from the general fund shall be provided to soil and water conservation districts for administrative and operational support. These funds shall be distributed upon approval by the Virginia Soil and Water Conservation Board to the districts in accordance with the Board's established financial allocation policy. These amounts shall be in addition to any other funding provided to the districts for technical assistance pursuant to subsections B. and D. of this Item. Of this amount, $6,209,091 the first year and $6,209,091 the second year from the general fund shall be distributed to the districts for core administrative and operational expenses (personnel, training, travel, rent, utilities, office support, and equipment) based on identified budget projections and in accordance with the Board's financial allocation policy; $312,000 the first year and $312,000 the second year from the general fund shall be distributed at a rate of $3,000 per dam for maintenance; $500,000 the first year and $500,000 the second year from the general fund for small dam repairs of known or suspected deficiencies; and $170,000 the first year and $170,000 the second year to the department to provide district support in accordance with Board policy, including, but not limited to, services related to auditing, bonding, contracts, and training. The amount appropriated for small dam repairs of known or suspected deficiencies is authorized for transfer to the Soil and Water Conservation District Dam Maintenance, Repair, and Rehabilitation Fund.

2. The department shall provide a semi-annual report on or before February 15 and August 15 of each year to the

Chairmen of the House Appropriations and Senate Finance Committees on each Virginia soil and water conservation district's budget, revised budget, previous year's balance budget, and expenditure for the following: (i) the federal Conservation Reserve Enhancement Program, (ii) the use of Agricultural Best Management Cost-Share Program funds within the Chesapeake Bay watershed, (iii) the use of Agricultural Best Management Cost-Share Program funds within the Southern Rivers area, and (iv) the amount of Technical Assistance funding. The August 15 report shall reflect cumulative amounts.

3. As part of the semi-annual report, the department shall assess the impact of settlement agreements with the Commonwealth entered into between July 1, 2017, and June 30, 2018, on achieving an effective level of Soil and Water Conservation District technical assistance funding and the implementation of agricultural best management practices pursuant to § 10.1-546.1., Code of Virginia. The department shall include in its report any amounts from the settlements including: 1) estimation of the timeline and amount for each fiscal year to implement agricultural best management practices; and 2) estimation of the timeline and amount for each fiscal year of additional technical assistance provided as a result of the additional funding from the settlements.

B.1. Notwithstanding § 10.1-2129 A., Code of Virginia, $22,532,299 the first year from the general fund shall be deposited to the Virginia Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997. Of this amount, $750,000 shall be appropriated to the department for the following specified statewide uses: $500,000 shall be used for the Commonwealth's match for participation in the federal Conservation Reserve Enhancement Program (CREP) and up to $250,000 may be utilized to develop a financial tracking and reporting module as part of the Agricultural Best Management Practices Database and to make necessary database revisions. Pursuant to paragraph B of Item 361, $2,011,689 is designated for deposit to the reserve within the Virginia Water Quality Improvement Fund.

2. Of the remaining amount, $19,770,610 is authorized for transfer to the Virginia Natural Resources Commitment Fund, a subfund of the Water Quality Improvement Fund. Notwithstanding any other provision of law, the funds transferred to the Virginia Natural Resources Commitment Fund shall be distributed by the department upon approval of the Virginia Soil and Water Conservation Board in accordance with the board's developed policies, as follows: $17,398,137 for Agricultural Best Management Practices Cost-Share Assistance where of this amount $10,438,882 shall be used for matching grants for Agricultural Best Management Practices on lands in the Commonwealth exclusively or partly within the Chesapeake Bay watershed, $6,959,255 shall be used for matching grants for Agricultural Best Management Practices on lands in the Commonwealth exclusively outside the Chesapeake Bay watershed, and $2,372,473 shall be appropriated for Technical Assistance for Virginia Soil and Water Conservation Districts.

3. This appropriation meets the mandatory deposit requirements associated with the FY 2017 excess general fund revenue collections and discretionary year-end general fund balances.

C. It is the intent of the General Assembly, that notwithstanding the provisions of § 10.1-2132, Code of Virginia, the department is authorized to make Water Quality Improvement Grants to state agencies.

D.1 Out of the appropriation in this Item, $10,000,000 the first year and $10,000,000 the second year from the Virginia Natural Resources Commitment Fund, a subfund of the Virginia Water Quality Improvement Fund, is hereby appropriated. The funds shall be dispersed by the department pursuant to § 10.1-2128.1, Code of Virginia.

2. The source of an amount estimated at $10,000,000 the first year and $10,000,000 the second year to support the nongeneral fund appropriation to the Virginia Natural Resources Commitment Fund shall be the recordation tax fee established in Part 3 of this act.

3. Out of this amount, a total of eight percent, or $1,200,000, whichever is greater, shall be appropriated to Virginia Soil and Water Conservation Districts for technical assistance to farmers implementing agricultural best management practices, and $8,800,000 for Agricultural Best Management Practices Cost-Share Assistance. Of the

amount deposited for Cost-Share Assistance, distributions between watersheds shall be in accordance with the allocation percentages set out in § 10.1-2128.1 B., Code of Virginia.

E.1. Out of the appropriation in this item, $2,583,531 in the first year and $2,583,531 in the second year from the funds designated in Item 3-1.01.C. of this act are hereby appropriated to the Virginia Water Quality Improvement Fund and designated for deposit to the reserve fund established pursuant to paragraph B of Item 361. It is the intent of the General Assembly that all interest earnings of the Water Quality Improvement Fund shall be spent only upon appropriation by the General Assembly, after the recommendation of the Secretary of Natural Resources, pursuant to § 10.1-2129, Code of Virginia.

2. Notwithstanding the provisions of §§ 10.1-2128, 10.1-2129 and 10.1-2128.1, Code of Virginia, it is the intent of the General Assembly that the department use interest earnings from the Water Quality Improvement Fund and the Virginia Natural Resources Commitment Fund to support one position to administer grants from the fund.

F. Out of the appropriation in this Item, $15,000 the first year and $15,000 the second year from the general fund is provided to support the Rappahannock River Basin Commission. The funds shall be matched by the participating localities and planning district commissions.

G. Notwithstanding § 10.1-552, Code of Virginia, Soil and Water Conservation Districts are hereby authorized to recover a portion of the direct costs of services rendered to landowners within the district and to recover a portion of the cost for use of district-owned conservation equipment. Such recoveries shall not exceed the amounts expended by a district on these services and equipment.

H. Unless specified otherwise in this Item, it is the intent of the General Assembly that balances in Soil and Water Conservation be used first, and then balances from Agricultural Best Management Practices Cost Share Assistance be used for the Commonwealth's statewide match for participation in the federal Conservation Reserve Enhancement Program (CREP).

I. The Water Quality Agreement Program shall be continued in order to protect the waters of the Commonwealth through voluntary cooperation with lawn care operators across the state. The department shall encourage lawn care operators to voluntarily establish nutrient management plans and annual reporting of fertilizer application. If appropriate, then the program may be transferred to another state agency.

J. Out of the appropriation in this Item, $80,000 the first year and $80,000 the second year from the general fund is provided to the department to make available a competitive grant to provide Chesapeake Bay meaningful watershed educational on-the-water field services. The department may enter into a two-year contract contingent on funding being available in the second year of the biennium.

K. The department, in collaboration with Soil and Water Conservation Districts, shall develop a plan containing cost estimates, for the rehabilitation of high hazard Soil and Water Conservation District owned and managed impounding structures. An interim plan shall be provided to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2016, with a final plan due by November 1, 2018.

L. Out of the appropriation in this Item, $200,000 the first year and $200,000 the second year from the general fund is provided to the department for technical assistance to support Shoreline Erosion Advisory Services as established in § 10.1-702, Code of Virginia.

M. Out of the approriation in this Item, $500,000 the first year and $500,000 the second year from the general fund shall be provided to the Natural Heritage Program in support of active preserve management activities across Virginia's 61 Natural Area Preserves as identified by the Board of Conservation and Recreation.

N. Notwithstanding § 54.1, Chapter 4, the U.S. Department of Agriculture's Natural Resources Conservation Service

and Department of Conservation and Recreation Central Office staff may provide engineering services to the Department of Conservation and Recreation and the local Soil and Water Conservation Districts for design and construction of agriculture best management practices.

O.1. Out of the amounts appropriated for Dam Inventory, Evaluation, and Classification and Flood Plain Management, $884,294 the first year and $464,294 the second year from the general fund shall be deposited to the Dam Safety, Flood Prevention and Protection Assistance Fund, established pursuant § 10.1-603.17, Code of Virginia. Out of these amounts, $420,000 in the first year from the general fund shall be provided to match federal and local funding for the rehabilitation of the Hearthstone Lake Dam in Augusta County.

2. Unobligated balances in the Dam Safety, Flood Prevention and Protection Assistance Fund may be utilized in an amount not to exceed $60,000 to perform activities necessary to update the flood protection plan for the Commonwealth and to make the plan accessible online. Once these activities are complete, the department will maintain and update the plan as needed within existing resources.

P. Out of the amounts appropriated in this item, $100,000 and one FTE position the first year, and $200,000 and two FTE positions the second year, from the general fund is provided to fund additional engineering staff to support the 47 Soil and Water Conservation Districts.